

IRS News Release

Media Relations Office

Washington, D.C.

Media Contact: 202.622.4000

www.irs.gov/newsroom

Public Contact: 800.829.1040

Additional Honda Vehicles Certified for Hybrid Tax Credits

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WASHINGTON - The Internal Revenue Service has acknowledged the certification by American Honda Motor Company, Inc., that several of its Model Year 2007 vehicles meet the requirements of the Alternative Motor Vehicle Credit as qualified hybrid motor vehicles.

The hybrid vehicle certifications recently acknowledged by the IRS and their credit amounts are:

- Honda Civic Hybrid CVT, Model Year 2007 \$2,100
- Honda Accord Hybrid AT, Model Year 2007 \$1,300
- Honda Accord Hybrid Navi AT, Model 2007 \$1,300

Consumers seeking the credit may want to buy early since the full credit is only available for a limited time. Taxpayers may claim the full amount of the allowable credit up to the end of the first quarter after the quarter in which the manufacturer records its sale of the 60,000th vehicle. For the second and third calendar quarters after the quarter in which the 60,000th vehicle is sold, taxpayers may claim 50 percent of the credit. For the fourth and fifth calendar quarters, taxpayers may claim 25 percent of the credit. No credit is allowed after the fifth quarter.

The total number of qualifying Honda hybrid vehicles reported sold as of Sept. 30, 2006, was 28,408. Therefore, purchasers of Honda's qualified vehicles may continue to rely on the previously issued IRS certifications.

More information on hybrid vehicles and other alternative motor vehicles can be found on the IRS web site at irs.gov.